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COUNTRY East Germany

SUBJECT Analysis of the 1954 Production Plan of the Metallurgical Industry

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1. On the basis of recommendations made by the East German State Planning Commission on 28 August 1953, a proposal for the 1954 production plan of the East German metallurgical industry was drafted. The proposed plan incorporated all the Commission's suggestions except in the case of copper ore production. The Commission suggested that 1,400,000 metric tons of copper ore be listed in the plan. This amount, together with scrap copper, would make possible the production of 28,700 metric tons of refined and electrolytic copper in 1954. Planned 1954 copper ore production was established at 1,370,000 metric tons, however, since this is the maximum capacity of East German copper ore processing installations. Planned refined and electrolytic copper production was nevertheless set at 28,700 metric tons.

2. It is planned to produce 1,450,000 metric tons of pig iron in 1954. Of this amount, Eisenhuettenkombinat Stalinstadt (EKS) is to produce 870,000 metric tons (or 435 metric tons per furnace per day), Eisenwerke West (EWW) 210,000 metric tons (or 49 metric tons per day for furnaces I and II and 62 metric tons per day for each of the other furnaces), and Maxhuette 370,000 metric tons.

3. The 1954 plan for the production of crude steel provides for 2,153,000 metric tons, or an increase of 10 percent over probable 1953 production. The increase is based on the fact that production capacities were expanded in 1953. The following installations were completed in 1953:

Furnaces IX and X in Brandenburg
Furnace VI at Hennigsdorf
18-ton electric furnace at Hennigsdorf
18-ton electric furnace at Groeditz
Conversion of a 20-ton furnace to a 40-ton furnace (Siemens-Martin) at Groeditz

In addition to this expansion, the capacity of hearth surfaces (Herdflaechenleistung) is to be increased.

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4. The following is the 1954 pig iron, metal scrap, and steel balance:

Pig iron	1,725,000 metric tons
Steel scrap	1,850,000 metric tons
Scrap iron	350,000 metric tons
Steel castings	218,000 metric tons
Grey iron castings	600,000 metric tons
SM charge factor	1.1
Thomas charge factor	1.14
Electric steel charge factor	1.06 (1.04 with a liquid charge)

The balance quantity of steel ingots amounts to 2,430,000 metric tons, of which 278,000 metric tons are for SAG's and machine construction, leaving 2,152,000 metric tons production of the Ministry for Mining and Smelting. Proposed production of the SAG's and machine construction plants, however, amounts to only about 233,000 metric tons; East German ingot steel production is therefore about 45,000 metric tons less than provided for in the balance. The plan for 278,000 metric tons production came from the State Planning Commission, while the plan for 233,000 metric tons production represented the proposal of the SAG plants based on USIG plans.

5. The crude steel and rolled steel balance is as follows:

Ingot steel production	2,430,000 metric tons
Additions from steel stocks	40,000 metric tons
TOTAL	2,470,000 metric tons
Rolled steel, Ministry	1,291,000 metric tons
Rolled steel, SAG's	345,000 metric tons
Rolled steel, Machine Construction	16,000 metric tons
TOTAL	1,652,000 metric tons

The proposed planned rolled steel production for Thale and Hettstedt, the two plants taken over by the Ministry for Mining and Smelting on 1 January 1954, was set at 368,620 metric tons. On 29 September 1953, however, the State Planning Commission increased the production plan for the two plants to 378,150 metric tons; that is, 23,620 metric tons more from the SAG's than is included in the balance of the proposed plan of the Ministry. If the final figure set by the State Planning Commission is adhered to, then the increase will amount to 33,150 metric tons. It is therefore necessary to establish a new balance before drafting the state plan, since otherwise the following disproportion would arise:

Decreased ingot steel yield	45,000 metric tons
Increased rolled steel production	23,600 metric tons

Thus, about 75,000 metric tons of ingot steel would be lacking.

6. It was recommended that 28,700 metric tons of refined and electrolytic copper be produced in 1954, even though probable 1953 copper production will amount to 29,150 metric tons. The decrease in planned copper production can be attributed to the fact that East Germany has at its disposal for 1954 1,000 metric tons less scrap with copper content than in 1953.

7. In 1953 East Germany is to produce 16,456 metric tons of lead. The 1954 proposed plan calls for the production of 18,900 metric tons of lead, or an increase of 15 percent over 1953. This increase was made because in 1954 1,000 metric tons more lead scrap will be available than in 1953. Moreover, 850 metric tons more concentrate from home production (eigene Konzentrate) will be available.

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8. Although 1953 nickel production will amount to 150 metric tons, 1954 plans provide for the production of only 36 metric tons of metallic nickel. In addition to this amount, nickel sulphate with a nickel content of 45 metric tons is to be produced. The decrease in planned production is due to the fact that Petsamo ores and other raw materials containing nickel were still available in 1953, especially from the stocks of the heavy chemical industry. Still another factor is the decrease in yield from Mansfeld. In addition, the altered investment situation makes it impossible to continue as originally planned the project at Nickelhuette St. Egidien (the first flame furnace at St. Egidien is to be put into operation on 1 October 1954).

9. Probable 1953 production of sulfuric acid will amount to 49,420 metric tons. In the 1954 plan provisions are made for the production of 591,000 metric tons or an increase of 20 percent over 1953. 1/ This increase was made possible by the completion of the contact installation in Muldenhuetten, which is to be put into full-time operation in 1954.

10. The probable production of electric power in 1953 will amount to 254,000,000 kwh. The 1953 plan called for 304,000,000 kwh. Mansfeld plans called for a high-capacity steam boiler for 40 t/h, to go into operation on 1 January 1954, and one other steam boiler for 40 t/h, to be put into operation on 1 July 1954. Mansfeld was also to put into operation, beginning in the third quarter of 1953, one 12 MW turbo-generator. Mansfeld turbine #4 will be put out of operation in April and July 1954 for repair of blades; until that time it will function at only 50 percent of its capacity.

25X1A 1/ [redacted] Comment: 51,900 metric tons is probably meant.